(b) whether survey work of the said plan has been completed; and

(c) if so, the latest status in this regard and what is Government's future plan?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH): (a) to (c) To consider connection of Nirmali to Bhaptiyahi by Railway line, final location and extensive investigation survey for construction of bridge on river Kosi, has been taken up. Further consideration of the project will be possible once the survey report becomes available.

Railways' ability to finance its investment needs

1808. MISS. SAROJ KHAPARDE: Will the Minister of RAILWAYS be pleased to state:

(a) whether Railways has been finding it difficult to finance its investment needs;

(b) if so, the details of factors which have eroded the ability of Railways to finance its investment needs; and

(c) the steps taken to solve the problem?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH): (a) and (b) Yes, Sir. The financial position of Railways is extremely tight. This is so mainly on account of the following:—

(i) Steep increase in expenditure after the implementation of the Fifth Pay Commission, and lack of a matching increase in receipts.

(ii) The expenditure in the current year has further been affected by various post budgetary increases of more than Rs. 9000 cr. On account of levy and hike in prices of High Speed Diesel Oil, increase in rates of family planning allowance and incentive bonus to workshop staff, hike in rates of electricity tariff by some State Electricity Boards etc. Restoration of operations in Orissa after the cyclones has also put an additional burden. The pension liability is

also likely to increase further by Rs. 700 crores in the current year.

(iii) Earnings are not fully meeting the proportionate targets so far. The Railways are also put to hardship because some of the powerhouses have not cleared their dues. Badarpur Thermal Power Station owes the Railways more than Rs. 1000 Cr.

(c) In order to improve the availability of funds, increased emphasis is being laid on revenue generation through better marketing efforts, private sector participation in Railway projects, and through measures like commercial exploitation of land and air-space, leasing of right of way for laying communication channels, etc. Government has also been approached for financial assistance. On the expenditure side, tight control is being kept in areas such as fuel and power consumption, contractual payments, overtime allowance etc. Austerity and economy measures are also being enforced in areas of hospitality, publicity, advertisements, seminars and workshops, contingent office expenses, travel etc.

Rangiya Division of N.E. Railway

1809. SHRI DRUPAD BORGOHAIN: Will the Minister of RAILWAYS be pleased to state:

(a) by when the establishment of Rangia Division of N.E. Railways would be completed;

(b) what is the progress till now;

(c) which areas would be brought under this division; and

(d) whether the whole of Bongaigaon and New Bongaigaon areas would be included in this division?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH): (a) and (b) The division has been planned to be set up in a phased manner over a period of five years. An Officer alongwith 2 group C and 2 group D staff have been positioned at Rangiya and other works of Rangiya Division are in progress.